



North American Portability Management, LLC

November 20, 2008

Joel Zamlong Telcordia Technologies, Inc One Telcordia Dr. Piscataway, NJ 08854

Dear Joel Zamlong:

The Purpose of this Correspondence

This correspondence is being sent as part of the continuing good faith efforts of the North American Portability Management LLC (the "NAPM LLC") fairly to consider and to evaluate Telcordia's unsolicited presentations for an NPAC/SMS solution. The NAPM LLC stands ready, as it always has, subject to binding contractual and regulatory limitations, to explore meaningful unsolicited presentations that can be shown to deliver improved functionality, reliability and efficiency at materially reduced cost to the industry and the public and that adequately address issues of transition and interoperability. The NAPM LLC genuinely is interested in investigating and evaluating proposals and ideas, even if unsolicited, that can be shown to satisfy these pre-requisites, as demonstrated both by the level and seriousness of the questioning by the NAPM LLC Members at each of the several presentations by Telcordia and by the willingness of the Members to entertain and to schedule successive presentations by Telcordia at the Members' meetings. In addition, the NAPM LLC's interest in fairly and thoroughly considering Telcordia's unsolicited presentations is also evidenced by the requests for various clarifications.

We advised Telcordia at the last Members' meeting in September 2008 that Telcordia representatives attended that the Vendor Proposal Advisory Committee of the NAPM LLC (the "VPAC") had determined that it was then at a point in its evaluation process that it would be presenting its recommendations for proceeding to the general membership. The VPAC is a standing advisory committee of the NAPM LLC that is charged with considering potential vendor presentations, including unsolicited proposals, and presenting its recommendations to the Members for action by the Members as they deem appropriate. The purpose of this correspondence is (1) to

advise Telcordia that the VPAC, in fact, presented its recommendations to the Members at the October 2008 meeting of the Members, and (2) to communicate to Telcordia the further actions that have been approved by the Members with respect to Telcordia's unsolicited presentations.

<u>Decision Not to Continue Consideration of the Regional or Primary-Standby</u> Administrator Models.

The VPAC concluded that Telcordia identified three distinct prospective NPAC models in its various presentations: (1) the Regional Model, with Telcordia acting as the sole NPAC administrator in one or more separate United States Service Areas (referred to as Regions); (2) the Primary-Standby Administrator Model, which is essentially a variation on the Regional Model, with Telcordia acting as the Primary Administrator in one or more Regions and the existing NPAC Administrator or another administrator acting as the Standby Administrator in those Regions; and (3) the Multi-Peering Administrator Model. The Members have concluded and determined that the NAPM LLC does not wish to continue consideration or to pursue further at this time either the Regional Model or the Primary-Standby Administrator Model, because those models will not provide Users with a sufficient level of vendor choice that the Members of the NAPM LLC believe will best serve and benefit consumers and considering the relative risks and benefits of the respective models.

<u>Decision on How Best To Proceed With Continued Consideration of the Multi-Peering Administrator Model.</u>

The Members were favorably impressed with the diligence and initial detail reflected in Telcordia's Multi-Peering Administrator Model and with Telcordia's candid recognition of the complexity and challenges inherent in that model. The Members also appreciated the conceptual and potential ability of this model to provide Users with a sufficient level of vendor choice that the Members of the NAPM LLC believe will best serve and benefit consumers. Accordingly, the Members have determined that the Multi-Peering Administrator Model deserves and warrants consideration and further evaluation.

In its most recent presentations, Telcordia recognized the various technical, regulatory, operational and financial impediments to any kind of quick and simple implementation of the Multi-Peering Administrator Model, and Telcordia identified proposed solutions, options, timelines and business cases for consideration, including the effects on critical elements, such as pricing and costs savings, and regulatory and technical modifications. Accordingly, the Members have determined that in order to proceed with consideration of this model, it is necessary for Telcordia to initiate appropriate industry-wide subject matter expert consideration, review and buy-off of the various technical issues and challenges raised by Telcordia and the solutions to those issues and challenges, including the appropriate changes or revisions to applicable specifications such as the Functional Requirements Specifications and Interoperability Interface Specifications. As Telcordia is aware, the NAPM LLC is not charged with, nor

has it ever exercised authority with respect to, the development of technical specifications; that is and always has been the purview of appropriate subject matter expert groups.

Subsequent to the subject matter expert review, evaluation and solution process, the Members of the NAPM LLC or a small group of Members would be willing, as requested by Telcordia representatives, to meet with representatives of Telcordia to better understand the precise price, cost and savings consequences of the Multi-Peering Administrator Model. This would not be a negotiation session or in any way reflect or imply any decision to proceed with or to adopt any proposal at this time. It would merely be convened to ensure an adequate understanding of the price, cost and savings consequences of the Multi-Peering Administrator Model.

Reiteration of Scope of Discussions

This correspondence and the actions set forth herein are not and shall not be interpreted to be advocating, endorsing, adopting, or approving the development, implementation or use of an alternate TN-level routing administration capability; accepting or approving a proposal or offer to provide NPAC/SMS-type services in any United States Service Area; or expressing an intent to issue, or otherwise to issue, a Request for Information (RFI), a Request for Quotation (RFQ), a Request for Proposals (RFP) or other similar request for the provision of NPAC/SMS-type services in any United States Service Area. The Members of the NAPM LLC hope that this correspondence adequately and clearly sets forth the decisions of the NAPM LLC on this matter.

Sincerely,

Melvin Clay

Co-Chair

North American Portability Management LLC

Timothy Decker

Co-Chair

North American Portability Management LLC